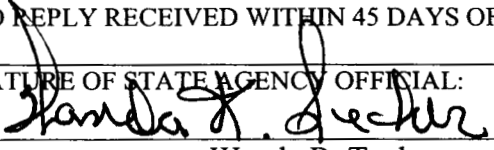



TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 03-03	2. STATE Washington, D.C.
FOR: MEDICAL ASSISTANCE ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE April 1, 2003	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR, 447.201		7. FEDERAL BUDGET IMPACT: a. FFY 2003 \$ 262,500. b. FFY 2004 \$ 525,000.	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attach. 4.19 B, page 4		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attach. 4.19 B, page 4 <u>DC, (03-03)</u> <u>approved: 03/18/03</u> <u>effective: 04/01/03</u>	
10. SUBJECT OF AMENDMENT: Pharmacy Dispensing Fee Increase			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Wanda R. Tucker Interim Senior Deputy Director Medical Assistance Administration Department of Health 825 North Capitol Street, N.E Suite 5135 Washington, D.C. 20002	
13. TYPED NAME: Wanda R. Tucker			
14. TITLE: Interim Senior Deputy Director for Medical Assistance Administration			
15. DATE SUBMITTED: December 17, 2002			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: <u>January 03, 2003</u>		18. DATE APPROVED: <u>March 18, 2003</u>	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <u>April 1, 2003</u>		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: <u>Mary T. McSorley</u>		22. TITLE: <u>ARA, DMCH</u>	
23. REMARKS:			

- a. Methods for determining costs of other prescribed drugs are:
- (1) Cost for prescribed drugs not listed by HCFA shall be the average wholesale price, minus ten percent (10%).
 - (2) The average wholesale price shall be the price, at the time of service, set forth in the most recent listing supplied to the Department by the First Data Bank National Drug Data File Services.
- b. Method established for determining prescription reimbursement is:
- Pharmacy claims shall be reimbursed at the lower of:
- (1) The allowable cost, established pursuant to section 922 or 923 of the Standards for Determining D.C. Medicaid Reimbursement Costs for Prescribed Multiple Source Drugs and Other Drugs and Methodology for Determining Prescription Reimbursement, as appropriate, plus a dispensing fee of four dollars and fifty cents (\$4.50) per prescription; or
 - (2) The pharmacy's usual and customary charge to the general public.

6. Physicians, Dentists and Other Individual Practitioners' Services

- a. Payment to individual practitioners is made in accordance with a fee structure which is limited to the lowest of the reasonable charge recognized under Part B, Title XVIII
- b. In no case may payment exceed the highest of the prevailing reasonable charge recognized under Part B, Title XVIII
- c. The State Agency will provide that any change in a payment structure for individual practitioner's service will not become operative until such changes have been incorporated in the State Plan, and approved by the Secretary.

7. Skilled Nursing Home Services
See Attachment 4.19D.